

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Public Hearing on the 2013-2014 Budget/2013-2019 Capital Investment Program (CIP) Plan
Mid-Biennium Update

FISCAL IMPACT

There is no fiscal impact associated with holding the public hearing.

STAFF CONTACT:

Jan Hawn, Finance Director 452-6846

Toni Rezab, Asst. Finance Director 452-7863

Rich Siegel, Performance and Outreach Coordinator 452-7114

Finance Department

POLICY CONSIDERATION

State law:

RCW 35A.34.130 requires that the Council hold a public hearing for the purpose of modifying the City's biennial budget. Consistent with this requirement, public notice was provided on November 4 and November 11, 2013 of the public hearing on Council's consideration of a mid-biennium budget update.

BACKGROUND

The City adopts a two-year or biennial budget. The current budget (including amendments for grants and other resources received) is approximately \$1.3 billion for the biennium. Of this amount, \$877 million is used for operating the government including police, fire, parks, utilities, transportation and other typical day-to-day activities of government. Approximately \$394 million is for the City's capital projects fund that constructs roads and sidewalks and pays for other major acquisitions. The remaining \$70 million includes special purpose funds that address grants and donations, debt service, and reserves.

The 2013-2014 Budget/2013-2019 Capital Investment Program Plan (CIP) Mid-Biennium Update is scheduled for adoption on December 2, 2013. This public hearing is required by State law and gives the public an opportunity to comment on the modifications being recommended to the City's 2013-2014 Budget/2013-2019 Capital Investment Program (CIP) Plan Mid-Biennium Update.

Following up from the November 4 Council meeting, the Council had two questions regarding the Mid-Biennium Update:

- *With regard to the LID Guaranty Fund, what LID was paid off that generated the excess funds?* Response – LID No. 280 was paid off in late 2012 and was related to widening and reconstructing N.E. 10th Street from 100th Avenue NE to 106th Avenue NE, constructing left-turn pockets on major intersections on NE 10th Street between 100th Avenue NE to 112th Avenue NE, constructing sidewalks, landscaping, street lights, signal modification and underground conduit for future signals. As a reminder, the Mid-

Biennium proposes to transfer excess funds from the LID Guaranty Fund to the General Fund as authorized under RCW 35.54.095. The excess funds are attributed to a one-time transfer of remaining funds in the LID No. 280 project after associated debt obligations were paid off in late 2012.

- *What was the drop in car sales during the recession?* The trough of the recession dropped car sales within the City to a total of \$645 million in 2009 from its former peak of \$830 million in 2007, a drop of 26%. A corresponding reduction in auto car sales tax occurred, from a 2007 high of \$8.0 million to the low of 2009 of \$6.0 million or a drop of 25% in sales tax received. Total car sales in 2013 is projected to be \$840 million.

Staff has not received any additional questions since the Council meeting on November 4. If there are any additional questions, staff can respond at the meeting on November 18 or return on November 25 to provide responses. If no additional questions are raised, staff will return with the budget-related ordinances on December 2 for Council consideration.

This evening's public hearing was advertised in *The Seattle Times* on November 4 and November 11, 2013, and the City Clerk has posted a notice of this evening's hearing as required.

OPTIONS

1. Conduct the legally required public hearing on the 2013-2014 Budget/2013-2019 Capital Investment Program (CIP) Plan Mid-Biennium Update.
2. Cancel and reschedule before adoption of the 2013-2014 Budget/2013-2019 Capital Investment Program (CIP) Plan Mid-Biennium Update.

RECOMMENDATION

Option 1. Conduct the legally required public hearing on the 2013-2014 Budget/2013-2019 Capital Investment Program (CIP) Plan Mid-Biennium Update.

MOTION

Move to open the public hearing on the 2013-2014/2013-2019 Capital Investment Program (CIP) Budget Mid-Biennium Update.

ATTACHMENTS

Public Hearing Notice

PLEASE PUBLISH ON NOVEMBER 4 AND NOVEMBER 11 2013

BUDGET/CIP MID-BIENNIUM UPDATE AND PROPERTY TAX LEVY HEARING

NOTICE OF PUBLIC HEARING

CITY OF BELLEVUE

NOTICE IS HEREBY GIVEN of the public hearing on the City of Bellevue's 2013-2014 Budget/2013-2019 Capital Investment Program (CIP) Plan Mid-Biennium Update and property tax levy to be held before the Bellevue City Council in the Bellevue City Council Chambers, 450 110th Avenue NE, at 8:00 p.m. on Monday, November 18, 2013.

The public hearing is an opportunity for residents and other stakeholders to provide input on the budget and on the property tax levy to aid the City Council and City Administration in updating the City's 2013-2014 Budget/2013-2019 Capital Investment Program (CIP) Plan. Please check our website under Community Involvement/"Events Calendar" at www.bellevuewa.gov for more information on this update. Interested persons are encouraged to attend the public hearing and to provide written and/or oral testimony.

Any questions about the public hearing should be addressed to Toni Rezab, Budget Manager, at (425) 452-7863 or e-mail trezab@bellevuewa.gov, or Rich Siegel, Performance & Outreach Coordinator, at (425) 452-7114 or e-mail rcsiegel@bellevuewa.gov.

Affidavit of posting has been filed with the City Clerk for the Bellevue City Council.

Dated this 21st day of October 2013.



Myrna Basich
City Clerk